RESTRICTED

005362 MDHIAN 8305

RESTRICTED FM DUBLIN TO DESKBY 261730Z FC0 TELNO 295 OF 261652Z JULY 96 INFO IMMEDIATE NIO(L), NIO(B), BOSTON, OTTAWA, ACTOR INFO IMMEDIATE SNUFFBOX, WHIRL

## SUBJECT: AFTERMATH OF DRUMCREE: IRISH ATTITUDES

## SUMMARY

 Hurt at events at Drumcree has gone deep. Continuing belief that British and Irish Governments must work together. Continuing interest in our renewing dialogue at official level with Sinn Fein.

## DETAIL

2. In our telnos 271, 272 and 274 we reported on reactions here to the events at Drumcree. Since then, some of the heat has gone out of the debate here (helped in no small measure by Michelle Smith's achievements, and the blanket coverage of them in the local media). But we should be under no illusions that the dust has somehow settled. The anger, hurt and deep mistrust unleased by the events at Drumcree has gone very deep.

3. For some, this is expressed in endless post-mortems, in ritualised disinterring of the mistakes of "800 years of British repression." Certainly some Irish politicians are still in this cul de sac, as was evident during the statements made at the end of the Emergency sitting of the Dail on 25 July. Others, more constructively, are concentrating their energies on the Apprentice Boys parade in Londonderry on 10 August, although with a growing delegation of TDs and MEPs from all parties signing up to the dubious proposition of observation at first hand. Others still, however, including key Government Ministers and Party Leaders, have thankfully moved on still further, supporting efforts to defuse tensions in the coming month but also looking for ways to inject fresh impetus to the talks, and to the encouragement of dialogue more generally.

4. The next few days are obviously crucial to the future viability of the talks process. Failure, in Irish eyes, would carry a high.

> PAGE 1 RESTRICTED

## RESTRICTED

AN IATH S DAG

price, not just for the future stability for the province, but for the credibility of what they see as a beleagured SDLP (which goes someway to explaining the paranoia of the Irish Delegation at the talks). Like the Prime Minister, the Taoiseach has invested a good deal of his political capital and credibility in the talks process. A plenary session next week which could be credibly presented as paving the way for a resumption in September involving negotiations on substance in the three stands would be welcome vindication of the coalition's approach to Northern Ireland. It would also, as has been suggested to us today by the Taoiseach's spokesman provide a positive peg for a telephone call between the two Prime Ministers before they depart on their respective holidays (the Taoiseach is due to depart on 2 August, though he may stay on to welcome back Michelle Smith on 6 August: incidentally the Prime Minister's fulsome congratulations went down very well here, in stark contrast to American accusations of drug-taking and rule-bending)

5. There is also some welcome evidence of creative thinking in the higher echelons of Fianna Fail. At breakfast this morning, the Minister of Finance, Ruairi Quinn, drew my attention to the significance of Bertie Ahern's intervention in the Dail debate last night. Ahern said "It must now be crystal clear that Northern Ireland can only be made a viable political entity on the basis of neutral consent and accommodation". Quinn contrasted this with the oft repeated Fianna Fail phraseology from the Haughey era that Northern Ireland was a failed political entity and said this statement by Ahern was a clear and significant attempt to demonstrate a willingness to reassure Unionist opinion.

6. These more positive signals are, it has to be said, interlaced with calls from all sides, some public and some private, for us to renew dialogue with Sinn Fein at official level. Success in the talks would transfer some of the pressure from us back to Sinn Fein. But the "seismic shift" so beloved of 0 hUiginn means that in most quarters attitudes to Sinn Fein have changed signifcantly. With their support levels almost certainly exceeding those of the SDLP we can expect continuing pressure to engage in exploratory contacts with them at official level even without a ceasefire.

SUTHERLAND to the separations and of the called and of automat deal

4. The next few days are obviously crucial to the future wisYYY'ty at the totars would carry a bigh

PAGE 2 RESTRICTED